

105TH CONGRESS
2D SESSION

S. 2323

To amend title XVIII of the Social Security Act to preserve access to home health services under the Medicare Program.

IN THE SENATE OF THE UNITED STATES

JULY 16, 1998

Mr. GRASSLEY (for himself, Mr. BAUCUS, Mr. BREAUX, Mr. ROCKEFELLER, Mr. JEFFORDS, Mr. MACK, Mr. KERREY, Mr. MURKOWSKI, Ms. LANDRIEU, Mr. FAIRCLOTH, Mr. HOLLINGS, Mr. BURNS, Mr. HAGEL, Mrs. HUTCHISON, Mr. LEAHY, Mr. HATCH, Mr. GRAHAM, Mr. BINGAMAN, Mr. DOMENICI, Mr. ROBB, and Mr. SANTORUM) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title XVIII of the Social Security Act to preserve access to home health services under the Medicare Program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Home Health Access
5 Preservation Act of 1998”.

6 **SEC. 2. REVISION OF PER BENEFICIARY LIMIT.**

7 (a) IN GENERAL.—

1 (1) IN GENERAL.—Section 1861(v)(1)(L) of the
 2 Social Security Act (42 U.S.C. 1395x(v)(1)(L)) (as
 3 amended by section 4602(c) of the Balanced Budget
 4 Act of 1997) is amended—

5 (A) by amending clause (v) to read as fol-
 6 lows:

7 “(v) For services furnished by home health agencies
 8 for cost reporting periods beginning on or after October
 9 1, 1998, the Secretary shall provide for an interim system
 10 of limits. Payment shall not exceed the costs determined
 11 under the preceding provisions of this subparagraph or,
 12 if lower, the product of—

13 “(I) the agency-specific per beneficiary annual
 14 limitation (as determined under clause (viii)) (which
 15 is calculated based 50 percent on the national aver-
 16 age of all payments under this title for home health
 17 services per person served during calendar year
 18 1994 and 50 percent on the average of all payments
 19 under this title for home health services per person
 20 served in the agency’s census division in calendar
 21 year 1994); and

22 “(II) the agency’s unduplicated census count of
 23 patients (entitled to benefits under this title) for the
 24 cost reporting period subject to the limitation.”; and

25 (B) by adding at the end the following:

1 “(viii) For purposes of clause (v)(I), the agency-spe-
2 cific per beneficiary annual limitation is the following
3 amount (adjusted by the area wage index applicable under
4 section 1886(d)(3)(E) and determined in the manner de-
5 scribed in clause (iii)):

6 “(I) For an agency located in the New England
7 census division (Connecticut, Maine, Massachusetts,
8 New Hampshire, Rhode Island, and Vermont),
9 \$4,019.50.

10 “(II) For an agency located in the Middle At-
11 lantic census division (New Jersey, New York, and
12 Pennsylvania), \$3,523.50.

13 “(III) For an agency located in the East North
14 Central census division (Illinois, Indiana, Michigan,
15 Ohio, and Wisconsin), \$3,644.00.

16 “(IV) For an agency located in the West North
17 Central census division (Iowa, Kansas, Minnesota,
18 Montana, Nebraska, North Dakota, and South Da-
19 kota), \$3,443.50.

20 “(V) For an agency located in the South Atlan-
21 tic census division (Delaware, the District of Colum-
22 bia, Florida, Georgia, Maryland, North Carolina,
23 South Carolina, Virginia, and West Virginia),
24 \$4,041.00.

1 “(VI) For an agency located in the East South
2 Central census division (Alabama, Kentucky, Mis-
3 sissippi, and Tennessee), \$4,672.50.

4 “(VII) For an agency located in the West
5 South Central census division (Arkansas, Louisiana,
6 Oklahoma, and Texas), \$4,946.50.

7 “(VIII) For an agency located in the Mountain
8 census division (Arizona, Colorado, Idaho, Montana,
9 Nevada, New Mexico, Utah, and Wyoming),
10 \$4,033.00.

11 “(IX) For an agency located in the Pacific cen-
12 sus division (Alaska, California, Hawaii, Oregon,
13 and Washington), \$3,939.00.”.

14 (2) CONFORMING AMENDMENTS.—Section
15 1861(v)(1)(L)(vi) of the Social Security Act (42
16 U.S.C. 1395x(v)(1)(L)(vi)) (as added by section
17 4602(c) of the Balanced Budget Act of 1997) is
18 amended—

19 (A) by striking “For services” and insert-
20 ing “In the case of services”; and

21 (B) by striking “the following rules apply”
22 through “For beneficiaries” and inserting “for
23 beneficiaries”.

24 (b) EFFECTIVE DATE.—The amendments made by
25 subsection (a) shall take effect on October 1, 1998.

1 **SEC. 3. INCREASED PAYMENTS FOR HOME HEALTH AGEN-**
2 **CIES THAT PROVIDE SERVICES TO CERTAIN**
3 **BENEFICIARIES.**

4 (a) **ESTIMATE.**—The Secretary of Health and
5 Human Services (in this section referred to as the “Sec-
6 retary”) shall estimate the amount of savings (if any) to
7 the Medicare Program under title XVIII of the Social Se-
8 curity Act (42 U.S.C. 1395 et seq.) resulting from the pro-
9 visions in this Act for each fiscal year beginning after fis-
10 cal year 1998 and before the first fiscal year in which the
11 prospective payment system for home health agencies (es-
12 tablished by section 1895 of such Act (42 U.S.C. 1395fff))
13 applies. Each such estimate shall be made not later than
14 the first day of the fiscal year, except that in the case
15 of fiscal year 1999, such estimate shall be made not later
16 than the 30th day after the date of enactment of this Act.

17 (b) **INCREASED PAYMENTS.**—

18 (1) **IN GENERAL.**—If the Secretary estimates
19 that there will be savings to the Medicare Program
20 pursuant to subsection (a) in a fiscal year, the Sec-
21 retary shall prescribe rules under which the amount
22 of payments to a home health agency otherwise
23 made for such year under the Medicare Program is
24 increased by a specific amount (determined by the
25 Secretary in regulations) for each beneficiary that
26 has been a patient of such agency for at least 120

1 consecutive days during such year. The total amount
 2 of increased payments made under this section in a
 3 fiscal year shall equal the estimated savings for such
 4 year.

5 (2) DETERMINATION OF INCREASED PAY-
 6 MENT.—Not later than October 1 of each year (be-
 7 ginning in 1998), the Secretary shall establish the
 8 increased payment amount for purposes of para-
 9 graph (1) that is applicable for the fiscal year begin-
 10 ning on such date. In the case of fiscal year 1999,
 11 the Secretary shall establish such increased payment
 12 amount by not later than the 30th day after the
 13 date of enactment of this Act.

14 (c) HEIGHTENED SCRUTINY OF CERTAIN CLAIMS.—
 15 The Secretary shall establish procedures to provide height-
 16 ened scrutiny of claims for reimbursement under the
 17 Medicare Program for items and services provided to bene-
 18 ficiaries described in subsection (b)(1).

19 **SEC. 4. INCREASE IN PER-VISIT COST LIMITS.**

20 (a) IN GENERAL.—Section 1861(v)(1)(L)(i)(IV) of
 21 the Social Security Act (42 U.S.C. 1395x(v)(1)(L)(i)(IV))
 22 (as added by section 4602 of the Balanced Budget Act
 23 of 1997) is amended by striking “105 percent” and insert-
 24 ing “108 percent”.

1 (b) EFFECTIVE DATE.—The amendments made by
2 subsection (a) shall take effect on October 1, 1998.

3 **SEC. 5. UPDATE ON IMPLEMENTATION OF PROSPECTIVE**
4 **PAYMENT SYSTEM FOR HOME HEALTH AGEN-**
5 **CIES.**

6 Not later than 90 days after the date of enactment
7 of this Act, and every 90 days thereafter until the prospec-
8 tive payment system for home health agencies (established
9 by section 1895 of the Social Security Act (42 U.S.C.
10 1395fff)) is implemented, the Secretary of Health and
11 Human Services shall meet with the staff of the appro-
12 priate committees of Congress to provide an informal up-
13 date regarding the progress of the Secretary in implement-
14 ing such payment system.

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